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July 27, 2006

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Sarah Flanagan, Assistant Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency
290 Broadway - 17th Floor
New York, NY 10007-1866



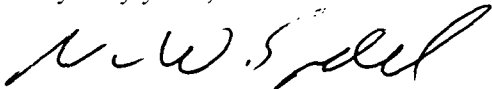
Re: In the Matter of the Lower Passaic River Study Area Portion of the Diamond Alkali Superfund Site
Agreement Under Section 122(h) of CERCLA, 42 U.S.C. Section 9622
U.S. EPA Region 2; Site-Spill ID Number 02-96; CERCLA Docket No. 02-2004-2011

Dear Ms. Flanagan:

I am environmental counsel for Croda, Inc., a recipient of a recently issued General Notice Letter for the above-referenced matter, and am responding on behalf of my client in regard to such notice. Croda, Inc. understands that EPA has entered into the above-referenced Settlement Agreement pursuant to Section 122(h) of the Comprehensive Environmental Response, Compensation and Liability Act, as amended (the "Settlement Agreement"), effective as of June 22, 2004, with forty -three (43) companies (the "Settling Parties"). Croda, Inc. has been provided a copy of the Settlement Agreement and Amendment No. 1 thereto, made effective as of November 9, 2005, and is familiar with the related terms and conditions in these documents.

As requested by EPA, Croda, Inc., and without any admission of liability for the above-referenced matter, has agreed to become a "cooperating party" by participating in the Lower Passaic River Study Area Cooperating Parties Group with the expectation that it will be permitted to become a Settling Party under the Settlement Agreement on the same terms and conditions provided under Amendment No. 1. Despite my client's agreement to participate in this matter as a "cooperating party" my client maintains that it is not, in fact, responsible for any natural resources damages in the Passaic River, if any in fact exist. Moreover, my client's action is not intended, nor should it be interpreted, to be an admission of any of the facts in the "Evidence Package" which presumably formed the basis for USEPA's issuance of a General Notice Letter to it. In fact, my client denies much of the "nexus" information contained in such documents. Croda, Inc. assumes that this statement of intent satisfies EPA's request that it become a cooperating party for the CERCLA study of the LPRSA, as described in the General Notice Letter.

Very truly yours,



Norman W. Spindel

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Sarah Flanagan, Assistant Regional Counsel
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cc: William Hyatt, Esq. (via Email)
Bill Hengemihle (via Email)
Kevin Gallagher (via Email)
Stephen Fish (via Email)